

ATTACHMENT 2

2004-2005 PROGRAM DESCRIPTIONS

STATEWIDE UTILITY PROGRAMS

1. Statewide Residential Retrofit Home Energy Efficiency Survey Program - 1116-04, 1238-04, 1247-04, and 1359-04

PROGRAM IMPLEMENTER(S):	SoCalGas SCE SDG&E PG&E
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SoCalGas – 1247-04 SCE – 1238-04 SDG&E – 1359-04 PG&E – 1116-04
GEOGRAPHIC AREA:	Statewide
TARGET MARKET:	Crosscutting
APPROVED BUDGETS BY SERVICE TERRITORY:	SoCalGas: \$ 548,000 SCE: \$ 3,000,000 SDG&E: \$ 814,666 PG&E \$ 1,486,788 Total: \$ 5,849,454

PROGRAM DESCRIPTION:

This program is a continuation of an existing successful statewide program that was funded in 2002 and 2003. It also complements the utilities' statewide residential energy efficiency rebate programs and promotes persistent use of energy efficient measures among residential customers.

Each utility proposes to conduct mail and online surveys to assist consumers in improving energy use in their homes. At least 50% of the utilities' mail-in survey target will be sent to hard-to-reach customers.

PROGRAM MODIFICATIONS:

In this program, the utilities assist customers in determining how they might improve the energy efficiency of their homes. Changes from the 2003 program include improving program equity by increasing customer participation and accessibility in new customer groups through the inclusion of surveys in two additional Asian languages, Vietnamese and Korean in PG&E's, SoCalGas', and SCE's service areas, and Chinese and Korean versions in SDG&E's service area. In addition, the utilities must continue to send 50% of mail-in surveys to hard to reach customers. Budgets are reduced closer to previous year's budgets and to reflect available budgets in these service territories.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Other Targets*
PG&E	\$1,486,788	0	0	0	See Plan
SCE	\$3,000,000	0	0	0	See Plan
SDG&E	\$ 814,666	0	0	0	See Plan
SCG	\$ 548,000	0	0	0	See Plan
Total	\$5,849,454	0	0	0	

*Minimum expectations based upon budgets, and pending program implementation plan finalization.

2. Statewide Nonresidential Energy Audit Program – 1122-04, 1248-04, 1358-04, 1465-04

PROGRAM IMPLEMENTER(S):	SCG, SCE, SDG&E, & PG&E
PROPOSED SUBCONTRACTOR(S):	Nexus Energy Software, Inc.
IOU SERVICE TERRITORY:	SCG – 1465-04 SCE – 1248-04 SDG&E – 1358-04 PG&E – 1122-04
GEOGRAPHIC AREA:	Statewide
TARGET MARKET:	Nonresidential
BUDGET APPROVED	SCG: \$ 1,865,136 SCE: \$ 3,800,000 SDG&E: \$ 1,222,000 PG&E: \$ 5,100,000

	Total	\$ 11,987,136
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PROGRAM DESCRIPTION:

This statewide program offers free energy audits to nonresidential customers. The audit provides customers an assessment of their current energy use and recommendations on ways to reduce their energy consumption and save money.

This traditionally offered program highly complements the statewide nonresidential energy efficiency rebate programs because it feeds customers who have audits performed to the utilities' other rebate programs.

PROGRAM MODIFICATIONS:

The budgets are reduced closer to previous year's budgets and to reflect the available funds in these territories. SCG's narrative included discussion on targeting 10% HTR but the table on goals did not include HTR data; SCG must indicate its HTR target data in its revised program implementation plan. Any adjustments consistent with the approved budget must be fully discussed in the revised plan and appropriately reflected in the workbook. With regard to adjustments in expenses, utilities must make the adjustments in the administrative expenses rather than implementation costs; if adjustments are made beyond the administrative costs, they must be discussed in detail. Any adjustments must be supported with appropriate documents and data.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Targeted Number of Audits*
SCG	\$ 1,865,136	0	0	0	6,400(including 640 HTR)
SCE	\$ 3,800,000	0	0	0	14,750 (including 6,720 HTR)
SDG&E	\$ 1,222,000	0	0	0	7,600 (including 4,560 HTR)
PG&E	\$ 5,100,000	0	0	0	20,000 (including 12,000 HTR)
Total	\$11,987,136	0	0	0	48,750 (including 23,920 HTR)

*Minimum expectations, pending program implementation plan finalization.

3. Statewide Energy Efficiency Education and Training Program – 1123-04, 1258-04, 1264-04, and 1328-04

PROGRAM IMPLEMENTER(S):	SoCalGas SCE SDG&E PG&E
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SoCalGas – 1258-04 SCE – 1264-04 SDG&E – 1328-04 PG&E – 1123-04
GEOGRAPHIC AREA:	Statewide
TARGET MARKET:	Crosscutting
BUDGETS APPROVED:	SoCalGas: \$ 3,583,314 SCE: \$ 9,608,744 SDG&E: \$ 2,000,000 PG&E: \$ 1,300,000 Total: \$16,492,058

PROGRAM DESCRIPTION:

This program is a continuation of an existing successful program that was funded in 2002 and 2003. This program educates -- contractors, architects and designers, residential developers and builders, manufacturers, commercial users, environmental organizations, agricultural users, and others -- on ways to improve energy efficiency.

Through energy centers and other informational forums, this program builds infrastructure and promotes persistent use of energy efficient to a variety of customer segments. Moreover, it highly complements the statewide utility rebate programs because it feeds customers who have received education and training to other utility rebate programs.

PROGRAM MODIFICATIONS:

The budgets are reduced closer to previous year's budgets and to reflect the available budgets for these territories. Any adjustments consistent with the approved budget must be fully discussed in the revised program implementation plan and appropriately reflected in the workbook. With regard to adjustments in expenses, utilities must make the adjustments in the administrative expenses rather than implementation costs; if adjustments are made beyond the administrative costs, they must be discussed in detail. Any adjustments must be supported with appropriate documents and data.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets Other Targets*
PG&E	\$ 1,300,000	0	0	0	See Plan
SCE	\$ 9,608,744	0	0	0	See Plan
SDG&E	\$ 2,000,000	0	0	0	See Plan
SCG	\$ 3,583,314	0	0	0	See Plan
Total	\$16,492,058	0	0	0	

*Minimum expectations, pending program implementation plan finalization.

LOCAL UTILITY PROGRAM**1. Pacific Gas & Electric Company (PG&E) Pacific Energy Center – 1130-04**

PROGRAM IMPLEMENTER(S):	PG&E
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	PG&E – 1130-04
GEOGRAPHIC AREA:	Northern California
TARGET MARKET:	Crosscutting
APPROVED BUDGET	\$ 7,301,723

PROGRAM DESCRIPTION:

The Pacific Energy Center (PEC), located in San Francisco, provides a forum for training and education for energy efficiency and other energy related matters. The PEC also provides demonstrations of various energy efficiency measures and tools. The PEC hosts training and education for contractors, architects, energy consumers, and any interested members of the public.

This is a continuation of a successful effort that operated in 2003-04. The PEC provides a critical resource for energy efficiency training and education in Northern California. A recent evaluation of the center confirmed that the Pacific Energy Center is successful in reaching and motivating its audiences to act on energy efficiency information. Nearly 50% of all PEC program users say they changed their standard design and equipment selection practices based on information obtained through PEC services. The PEC was also successful in reaching diverse businesses in locations across PG&E's service area. Nearly 46% of attendees came from businesses with fewer than 25 employees. The PEC has successfully operated in PG&E service territory since 1991. In 2002, nearly 6,000 people attended PEC classes at 15 locations in Northern California, 500 tool loans used in over 100 cities and over 1,500 individuals used the resource library.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Hard-to-Reach Targets
PG&E	\$ 7,301,723	NA	NA	NA	

2. Pacific Gas & Electric Company (PG&E) Local Crosscutting Food Service Technology Center – 1131-04

PROGRAM IMPLEMENTER(S):	Pacific Gas and Electric Company
PROPOSED SUBCONTRACTOR(S):	Fisher Nickel, Inc. Architectural Energy Corporation
IOU SERVICE TERRITORY:	PG&E – 1131-04
GEOGRAPHIC AREA:	PG&E service territory with special targeting efforts in transmission constrained area.
TARGET MARKET:	Nonresidential food service operators
APPROVED BUDGET	\$ 3,268,266

PROGRAM DESCRIPTION:

The Food Services Technology Center (Center) serves nonresidential customers with food service operations, including small, individually owned hard-to-reach restaurants, large chain restaurants, grocery stores that perform substantial cooking and food preparation, the hospitality industry, and institutional food service operations. It provides the commercial food service sector with impartial, reliable, and useful information that stimulates the energy-efficient design and operation of commercial food service facilities. The program actively engages and influences manufacturers, distributors, code officials, and professional associations, all in order to fulfill its primary mission of serving end-use customers.

This is a continuation of a successful 2002-2003 program effort. The program is one of two of its kind in the nation that undertakes energy efficiency testing for restaurant industry equipment and then proposes ASTM efficiency standards to national bodies for the equipment. It has operated under PG&E auspices for many years and serves a very energy intensive industry that currently has very little if any conservation going on within it. FSTC efforts have led to EPA establishing Energy Star standards for certain coolers in restaurants. This is a unique program that holds the potential of significantly reducing the energy usage in an untapped and hard-to-reach industry.

PROGRAM MODIFICATIONS:

Since 1987, the Center is recognized as the leading source of unbiased, objective information on energy use in nonresidential food service operations in California. Fisher-Nickel Inc. operated the Center in PY 2002 and 2003 as a non-utility third-party program. PG&E is continuing the program for PY 2004–2005 as an information-only local utility program, consistent with Center operations for the first 16 years of the program (from 1987–2002). However, PG&E plans to operate the Center under contract to Fisher-Nickel, Inc.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Other Targets
PG&E	\$ 3,268,266	NA	NA	NA	See plan

*Minimum expectations based upon reduced budget, and pending program implementation plan finalization.

3. Southern California Edison (SCE) – Local Government Initiative Program – 1318-04

PROGRAM IMPLEMENTER(S):	Southern California Edison
PROPOSED SUBCONTRACTOR(S):	BII
IOU SERVICE TERRITORY:	SCE – 1318-04
GEOGRAPHIC AREA:	SCE service territory
TARGET MARKET:	Crosscutting
APPROVED BUDGET	\$ 1,000,000

PROGRAM DESCRIPTION:

This program builds infrastructure through grassroots partnering with local governments and cities (collectively referred to as Jurisdictions). It offers:

- o Energy efficiency information and education,
- o Hardware upgrades
- o Subsidized energy efficiency improvements to small to medium-business owners, lower-to-moderate income residential customers, single and multifamily existing residential consumers, and residential and small commercial builders.

The core of this program approach is to work with the Jurisdictions as a delivery channel for SCE's broad portfolio of energy efficiency information, services and incentives, thereby deepening the reach of utility program offerings. Using the concept of “neighborhood sweeps,” which involves same-day residential and small to medium-business audits/surveys and hardware replacement, the Jurisdictions will realize immediate energy and utility cost savings. The program will also offer a variety of residential and nonresidential new construction intervention strategies such as Building Commissioning, training of building departments on energy efficiency standards (Title 24), as well as incentive programs for residential and small commercial builders.

PROGRAM MODIFICATIONS:

There are no program changes proposed or adopted for 2004 and 2005.

PROGRAM BUDGETS AND TARGETS:

The primary goal of this program is to secure continued participation, as well as expansion, of the existing jurisdictions. One matrix for measuring participation

will be through the execution of the 2004 LGI Enrollment Form. Additionally, SCE will seek to expand participation in the program to new Jurisdictions with a large HTR element.

Activity	Target
Completed 2004 Enrollment Forms	32
Expand to New Jurisdictions Identified as HTR	10
Conduct Building Department Training or Information Updates on 2005 Title Code Revision	12
Coordinate Activities Promoting Residential and MF Retrofit Programs	10
Coordinate Activities Promoting Nonresidential Programs	10

PARTNERSHIP PROGRAMS

1. IOU/UC/CSU Partnership –1489-04

PROGRAM IMPLEMENTER(S):	SDG&E, UC and CSU
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SDG&E
GEOGRAPHIC AREA:	SDG&E
TARGET MARKET:	UC/CSU Campuses
IOU CONTRACT ADMINISTRATOR:	
APPROVED BUDGET	\$ 3,070,229

PROGRAM DESCRIPTION:

This program was run successfully in 2002-2003. The program will provide the following services to UC and CSU campuses:

- 1) Energy efficiency retrofits including lighting, HVAC and HVAC controls, and motors.
- 2) Retro and continuous commissioning including the installation and proper management of energy monitoring and control systems.
- 3) Energy efficiency training and best practices development for UC/CSU facility managers. This element will also facilitate the information transfer between facility managers at different UC/CSU campuses to ensure best practices in energy usage are disseminated amongst all campuses.

Funding this program in SDG&E territory -- in addition to PG&E, SCG & SCE 2004-2005 programs -- provides statewide coverage and maximizes benefit to UC and CSU campuses.

PROGRAM MODIFICATIONS:

The approved program budget is lower than proposed. This program must be closely coordinated with the Alliance to Save Energy's Green Campus Pilot program. The two programs must integrate the energy efficiency education aspects of the Green Campus program with the actual energy efficiency hardware activities of the IOU/UC/CSU program.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Hard-to-Reach Targets
SDG&E	\$3,070,229	4,098,891	590	150,090	

*Minimum expectations based upon reduced budget, pending program implementation plan finalization

2. City of Pomona and Southern California Edison Partnership for Energy Efficiency – 1326-04

PROGRAM IMPLEMENTER(S):	SCE
PROPOSED SUBCONTRACTOR(S):	InSync Energy
IOU SERVICE TERRITORY:	SCE
GEOGRAPHIC AREA:	City of Pomona
TARGET MARKET:	Hard-to-Reach (HTR) Residential & Nonresidential
IOU CONTRACT ADMINISTRATOR:	SCE
APPROVED BUDGET	\$651,023

PROGRAM DESCRIPTION:

This is a partnership program specifically targeting the City of Pomona, which is underserved by the other programs.

This is a hardware program that will upgrade the facilities of the City of Pomona with energy efficient equipment. The services include upgrading seven fire stations with lighting retrofits, occupancy sensors, premium efficiency air conditioner units and reflective window films. The program also includes converting the existing incandescent traffic signals to LEDs.

PROGRAM MODIFICATION:

The total requested budget is approved. SCE must submit a revised program implementation plan –with supporting documentation- clearly describing the incentive levels and their calculations, and the LED costs that constitutes a sizeable portion of the total budget. Moreover, SCE must discuss the appropriateness or inappropriateness of reallocating a portion of LED costs to other measures.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Target* (kWh)	Demand Reduction Target* (kW)	Energy Reduction Target* (Therms)
SCE	\$651,023	536,694	38	0

*Minimum expectations based upon reduced budget, pending program implementation finalization.

3. The Energy Coalition: Community Energy Partnership – 1201-04

PROGRAM IMPLEMENTER(S):	The Energy Coalition
PROPOSED SUBCONTRACTOR(S):	None specified
IOU SERVICE TERRITORY:	SCG
GEOGRAPHIC AREA:	Both programs target the cities of Irvine, Santa Monica, Brea, West Hollywood, Moreno Valley, Palm Desert, Santa Clarita, San Bernardino, Cathedral City, Corona, Monrovia, and Tustin
TARGET MARKET:	Residential and small business
IOU CONTRACT ADMINISTRATOR:	SCE
APPROVED BUDGET	\$1,223,000

PROGRAM DESCRIPTION:

This gas-focused program highly complements and bridges a critical gap to a successful 2002-2003 SCE electric program that is being continued in 2004-2005. With this program, the lost opportunity -- of providing efficient gas measures in addition to electric measures to the whole community -- is overcome.

The Community Energy partnership is classified as a hardware program; however, it operates as a hybrid program, featuring direct installation of measures and education to raise awareness of energy management. The program aims to involve the entire community by encouraging stakeholders such as schools, civic clubs, neighborhood associations, community centers, small business groups and government agencies to enroll. The information segment of the program is focused at the grassroots level, with an emphasis placed upon community organizing to transform the attitudes of participants toward sustainable energy futures.

Measures for both the gas and electric programs are customized and based upon the community segment targeted. Electric measures include energy audits and incentives toward a custom set of lighting and heating, ventilation and air conditioning efficiency measures. Gas measures include gas efficiency audits and installation of common gas-saving measures such as showerheads, faucet aerators, hot water heater wraps, furnace filters and the installation of

programmable thermostats. Both gas and electric programs allocate funds to school districts and municipalities to spend on partnership-approved activities.

PROGRAM MODIFICATIONS:

The Community Energy Partnership program for SCG service territory is approved without modification.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Hard-to-Reach Targets
SoCalGas	\$1,223,000	NA	NA	917,440	

*Minimum expectations, pending program implementation plan finalization.

4. San Diego City Schools Retrofit and Partnership Program – 1383-04

PROGRAM IMPLEMENTER(S):	SDG&E
PROPOSED SUBCONTRACTOR(S):	To be selected through a competitive bidding process.
IOU SERVICE TERRITORY:	SDG&E – 1383-04
GEOGRAPHIC AREA:	San Diego City Schools, San Diego County
TARGET MARKET:	The “customer” addressed by this program is the San Diego City Schools. The schools with the highest kW demand will be the first addressed by the program.
IOU CONTRACT ADMINISTRATOR:	N/A
APPROVED BUDGET	\$ 2,262,433

PROGRAM DESCRIPTION:

This is a very focused partnership program with well-directed energy efficient offerings for the San Diego City Schools. The program will leverage available funding from Proposition MM, a bond measure passed in 1998 for major repair, replacement, and new construction activities in San Diego City Schools.

It is designed to provide comprehensive energy audit services, planning and engineering support, and equipment installation services for comprehensive energy efficiency retrofits of school facilities. Enhanced energy efficiency incentives will also be employed on a targeted, case-by-case basis to allow ultra high-performance efficiency lighting, HVAC systems and other measures identified through the audit to be installed in schools throughout the San Diego school system in accordance with audit recommendations.

PROGRAM MODIFICATIONS:

SDG&E provided only an estimate of likely energy savings based upon the school building ages and existing equipment efficiencies within those buildings. SDG&E must provide additional supporting documentation or explanation on how the estimated energy savings from the program were derived.

PROGRAM BUDGETS AND TARGETS:

The program expects the following energy savings goals to be met at the end of December 2005.

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)
SDG&E	\$ 2,262,433	3,113,108	308	0

*Minimum expectations, pending program implementation plan finalization.

NON-UTILITY PROGRAMS**1. Alliance to Save Energy
San Diego Green Schools Program – 1432-04**

PROGRAM IMPLEMENTER(S):	Alliance to Save Energy
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SDG&E
GEOGRAPHIC AREA:	San Diego County – from Escondido in the north to Chula Vista in the south to Alpine in the east
TARGET MARKET:	K-12 schools in SDG&E's service territory
IOU CONTRACT ADMINISTRATOR:	SDG&E
BUDGET APPROVED	\$400,000

PROGRAM DESCRIPTION:

This program focuses on saving energy in schools and involving students in understanding and implementing energy efficiency improvements. The program will provide a wide range of instructional materials and tools that are correlated to the California Standards of Learning in science, math, language, arts and High School exit exams. Teachers select the materials most suited to their classes, teaching style and other objectives. Because they are custom design, the lessons are more likely to be appropriate for their classes and teachers are more likely to continue to implement them year after year.

This program is a continuation of a successful 2002-2003 program and complements SDREP's Green Action program for high school students that is being funded in 2004-2005.

PROGRAM MODIFICATIONS:

The approved budget for this program total \$400,000, which reflects the remaining budget available in SDG&E's service territory. Alliance must file a revised program implementation plan -- with supporting documents and data -- that details changes in the goals and various budget cost allocations based on the adjusted budget.

PROGRAM BUDGETS AND TARGETS:

With the original requested budget of \$795,538, Alliance proposed to enroll 18 schools over the two-year program. In the revised program implementation plan, Alliance must reflect any adjustments to the goals and other activities based on the adjusted budget.

**2. California Urban Water Conservation Council (CUWCC)
Pre-rinse Spray Head Installation Program for the Food Service
Industry - PHASE 2 – 1198-04**

PROGRAM IMPLEMENTER(S):	California Urban Water Conservation Council
PROPOSED SUBCONTRACTOR(S):	Maureen Erbeznik and Associates Koeller and Company Honeywell DMC Services, Inc. Fisher Nickel Inc., aka Food Service Technology Center (FSTC)
IOU SERVICE TERRITORY:	SoCalGas – 1200-04* PG&E – 1198-04
GEOGRAPHIC AREA:	SoCalGas and PG&E Service Territories that Overlap with Participating Water Authorities
TARGET MARKET:	Nonresidential – Small to Medium Sized Food Service Facilities
IOU CONTRACT ADMINISTRATOR:	SoCalGas
APPROVED BUDGET by SERVICE TERRITORY	SoCalGas: \$ 2,254,162* PG&E: \$ 976,123 Total: \$ 3,230,285

*Approved in D.03-12-060

PROGRAM DESCRIPTION:

This is a continuation of a program that was approved by the Commission for the 2002-2003 program years. It is a direct-install incentive-based program that replaces high water use pre-rinse spray valves with more efficient models at food service facilities: restaurants, cafeterias, institutional kitchens and food preparation companies. There will be no cost to the participants and water utilities throughout the state will contribute a portion of the funds for program implementation. This program targets hard-to-reach customer in both urban and rural settings.

This program has demonstrated success in achieving its goals on a timely basis and meeting in a timely manner the administrative needs of the project. It is also one of the few programs that emphasize gas energy savings.

PROGRAM MODIFICATIONS:

To ensure energy savings and encourage widespread use of the program, only spray valves using hot water will be eligible for replacement. In addition, CUWCC must submit a revised program implementation plan that includes specifications on the minimum gpm spray rinsers that are eligible for replacement. The original proposal included discussion on the assumptions for the cost effectiveness calculations but not on the specifications.

To provide for increased equity between public purpose charge contributors, for 75% of sites serviced, no more than five (5) facilities under the same ownership are eligible to participate in this program; the previous program imposed a limit of three. For the remaining 25% of sites, CUWCC is allowed to reduce the ownership limit but the facilities must be for medium to large customers.

The unit cost is \$90, considering only the materials and installation. It appears that there is profit for Honeywell rolled into both the marketing (at a per unit cost of \$40) and the installation. This is not consistent with the reporting requirements that have been established for program implementers. CUWCC must include in the revised program implementation plan the details of the costs consistent with the reporting requirements that all implementers are required to follow. Any profit sought by subcontractors will be withheld until the Commission makes a decision regarding the performance award. Any budget amounts beyond the maximum allowable performance award must be redirected toward product and installation costs for additional number of spray heads.

PROGRAM BUDGETS AND TARGETS:

The following table is a summary of some of the key objectives of this program. The proposal should be consulted for a complete description of the program design and objectives.

	Program Budget	Energy Reduction Targets* (Therms)	Number of Spray heads Targeted for Replacement	Hard-to-Reach Targets
SoCalGas	\$ 2,254,162	3,926,870	11,722	75%
PG&E	\$ 976,123	1,700,460	5,076	75%
TOTAL	\$ 3,230,285	5,627,330	16,798	

3. Center for Irrigation Technology, California State University at Fresno Agricultural Pumping Efficiency – 1434-04, 1428-04, 1418-04

PROGRAM IMPLEMENTER(S):	Center for Irrigation Technology, California State University at Fresno
PROPOSED SUBCONTRACTOR(S):	NA
IOU SERVICE TERRITORY:	SCE – 1434-04 SoCalGas – 1428-04 PG&E – 1418-04
GEOGRAPHIC AREA:	Service Territories of SCE, SoCalGas and PG&E
TARGET MARKET:	Nonresidential - Agriculture
IOU CONTRACT ADMINISTRATOR:	PG&E
APPROVED BUDGET by SERVICE TERRITORY	SCE: \$ 501,500 SoCalGas: \$ 335,240 PG&E: \$ 2,000,000 Total: \$ 2,836,740

PROGRAM DESCRIPTION:

This is an incentive-based program that has been run for many years by the program implementer under the auspices of a number of program administrators. This program provides technical support and financial assistance to encourage the agricultural industry to adopt more energy efficient pumping systems, maintenance and operation. Incentives will be provided for equipment testing, repair and retrofitting.

The rebate is based on an estimate of the first year expected kWh savings at the rate of \$.10/kwh. Rebate amounts will vary depending on the annual energy use of the pumping plant and in some cases, the actual improvement in pump efficiency. The current average rebate for the currently operating program is \$3,336. This represents about 26% of the average project cost.

This is the continuation of a successful PY2002 and 2003 program. It is the only statewide comprehensive agricultural energy efficiency program of this nature offered this year. Other authorized programs target small organic farmers in PG&E territory, dairy farmers, and pump testing while this program targets agricultural pump efficiency. California State University's, Fresno Foundation has run this program successfully for a number of years.

PROGRAM MODIFICATIONS:

This program was proposed for all four service territories. It is not approved for SDG&E's territory since the number of projects proposed for that area is very few. The budget for PG&E's territory is reduced by over \$4.5 million from that proposed. The other proposals are approved as proposed.

PROGRAM BUDGETS AND TARGETS:

The following table is a summary of some of the key objectives of this program. The proposal should be consulted for a complete description of the program design and objectives.

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Pump Retrofit and Repair Unit Goal
SCE	\$ 501,500	2,071,875	0	0	65
SoCalGas	\$ 335,240	0	0	43,875	26
PG&E*	\$2,000,000	4,858,311	0	13,375	260
TOTAL	\$2,836,740	6,930,186	0	57,250	351

*Minimum expectations based upon reduced budget, pending program implementation plan finalization

4. D&R International

Statewide School Energy Efficiency Program –1193-04 SDG&E; 1192-04 SCE; 1190-04-PG&E

PROGRAM IMPLEMENTER(S):	Statewide School Energy Efficiency Program
PROPOSED SUBCONTRACTOR(S):	Itron, Inc.; Power Logic; Ridge and Associates
IOU SERVICE TERRITORY:	PG&E; SCE; SDG&E
GEOGRAPHIC AREA:	PG&E service territory
TARGET MARKET:	K-12 students, school facility staff, administrators, and parents
IOU CONTRACT ADMINISTRATOR:	PG&E
APPROVED BUDGET	\$ 2,001,905

PROGRAM DESCRIPTION:

This program will expand on the program implemented by the California State and Consumer Services Agency (SCSA) in PY2002-2003 known as the SEE Program. SCSA will serve as an advisor and resource to make much-needed educational and efficiency resources available to a broader community. The statewide SEE Program represents an expansion of SCSA's energy education model currently being implemented in 55 school districts in California's Central

Valley. The expanded SEE Program will focus equally on energy retrofits and student education, and will be offered to all districts in the PG&E service territory. The SEE Program's primary goals are to increase energy-efficiency awareness and improve energy efficiency in school buildings. To reach these goals, the implementer will provide the following program offerings: mass marketing and outreach to the education community; teacher/student energy education curriculum and activities; regional teacher and facility staff workshops; and facility improvement demonstration projects.

PROGRAM MODIFICATIONS:

D&R is directed to coordinate its efforts with other school programs to avoid duplication of effort and promote efficient program management.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)
PG&E	\$2,001,905	1,850,745	603	115,067

5. Ecology Action**RightLights Turnkey Commercial Lighting Retrofits-1445-04**

PROGRAM IMPLEMENTER(S):	Ecology Action of Santa Cruz
PROPOSED SUBCONTRACTOR(S):	Center for Energy and Environment; Stan Walerczyk / Lighting Wizards; Community Environmental Council (Central Coast)
IOU SERVICE TERRITORY:	PG&E
GEOGRAPHIC AREA:	Santa Cruz, Monterey, San Benito, Santa Clara, and San Mateo counties
TARGET MARKET:	Small and very small businesses with less than 500 KW demand
IOU CONTRACT ADMINISTRATOR:	PG&E
APPROVED BUDGET	\$ 1,186,118

PROGRAM DESCRIPTION:

RightLights is a multilingual program that installs comprehensive, turnkey lighting retrofits, as well as pre-rinse spray nozzles (food service only), and provides information-only resources on refrigeration, HVAC, and motors efficiency measures to nonresidential customers with less than 500 kW demand. The primary purpose of the program is to deliver persistent and sustainable energy savings at the lowest possible cost to a small business customer group that has historically been hard-to-reach and hence underserved by current programs.

The initial proposal called for implementation in 11 counties served by PG&E. In D.03-12-060, the Commission authorized the program for five counties served by PG&E. In this decision, the Commission provides additional funding to serve these five counties more effectively.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Hard-To-Reach Targets
PG&E	\$1,186,118	4,751,244	1,108	35,406	100% HTR customer base in rural counties, and 66% in urban areas

*Minimum expectations based upon reduced budget, pending program implementation plan finalization

6. Energy Analysis Technologies

Residential Duct Services Program– 1311-04

PROGRAM IMPLEMENTER(S):	Energy Analysis Technologies
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SCE – 1311-04 SoCalGas – 1327-04
GEOGRAPHIC AREA:	Inland Areas of SCE and SCG service territories: San Gabriel Valley; Inland Empire; San Joaquin Valley; High Desert: e.g., the cities and areas of Los Angeles and San Bernardino Counties around Lancaster, Palmdale, Victorville, Hesperia, and Barstow; Low Desert area: Riverside County around Palm Springs and Palm Desert
TARGET MARKET:	Residential customers are older single family homes; Commercial customers/owners and tenants of low-rise commercial real estate cooled by rooftop package AC units, typically small business offices, retail establishments, and restaurants
IOU CONTRACT ADMINISTRATOR:	SCG
BUDGET APPROVED	SCE: \$ 735,000 SoCalGas \$ 315,000 Total: \$1,050,000

PROGRAM DESCRIPTION:

The Energy Analysis Technologies (EAT) Residential Duct Services Program (RDS) offers incentives to consumers in inland areas of the SCE and SoCalGas service territories for duct sealing, as well as basic and advanced HVAC tune-ups. The program's primary objective involves having residential and small commercial customers make repairs to their HVAC systems, which they would not otherwise make due to lack of information, cost concerns, or lack of access to appropriately skilled contractors. The program uses monetary incentives to encourage contractors and their customers to make repairs that will create significant savings on customer energy usage. RDS concentrates on the most cost-effective building vintages and climate zones for measure implementation. Customers who participate in the RDS will receive, as an added benefit, a low flow showerhead and a three pack of compact fluorescent light bulbs.

This program is a continuation of a successful 2002-2003 program effort. EAT assembled a duct services contractor infrastructure for its 2002-2003 RDS program and will leverage these resources in continuing to offer these services in 2004-2005.

PROGRAM MODIFICATIONS:

The budget had been reduced by one percent with concomitant reductions in energy goals.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)
SCE (70 percent)	\$735,000	2,119,011	1,759	72,081
SCG (30 percent)	315,000	908,148	754	30,892
Total	\$1,050,000	3,027,159	2,513	102,973

*Minimum expectations, pending program implementation plan finalization.

7. Kema-Xenergy Inc. Positive Energy Loan Fund -- 1213-04

PROGRAM IMPLEMENTER(s):	Kema-Xenergy Inc.
PROPOSED SUBCONTRACTORS:	N/A
IOU SERVICE TERRITORY:	PG&E -- 1213-04
GEOGRAPHIC AREA:	Counties of Alameda, San Mateo, San Francisco, and Contra Costa
TARGET MARKET:	HTR small businesses
IOU CONTRACT ADMINISTRATOR:	PG&E
APPROVED BUDGET:	\$1,069,120

PROGRAM DESCRIPTION:

The Positive Energy Loan Program provides below-market rate loans through local banks as incentive to finance the implementation of cost-effective energy efficiency projects targeted primarily to hard-to-reach commercial and industrial customers in PG&E's service territory. The program will administer a fund that reduces the borrower's interest rate by 4% points from the bank's regular rate applicable to the individual customer.

PROGRAM MODIFICATIONS:

We adopt funding and direct KEMA-XENERGY to identify bank partners within 60 days of this decision as well develop a method and tracking system that would assure customers do not receive double benefits for energy efficiency installations by taking advantage of the low-interest loan program and a rebate offered by another program for the same measures or services.

8. Portland Energy Conservation Inc. Retrocommissioning Program – 1381-04

PROGRAM IMPLEMENTER(S):	Portland Energy Conservation Inc.
PROPOSED SUBCONTRACTOR(S):	Architectural Energy Corporation
IOU SERVICE TERRITORY:	SDG&E – 1381-04
GEOGRAPHIC AREA:	San Diego: Primarily Urban Areas
TARGET MARKET:	Nonresidential: Commercial Buildings (primarily those over 100,000 sq. ft. with high electricity use)
IOU CONTRACT ADMINISTRATOR:	SDG&E
APPROVED BUDGET	\$ 1,168,185

PROGRAM DESCRIPTION:

This program will provide technical guidance and oversight, training and incentives for what has become known in the energy efficiency community as “retrocommissioning.” Retrocommissioning entails the improvement and optimization of building mechanical equipment, lighting, and lighting and equipment controls. At the same time, optimization of how equipment operates and interacts within a given building, or on a system level, is an underlying objective of retrocommissioning projects. This program will develop retrocommissioning protocols, provide building operator and commissioning contractor trainings, and implement building operations tracking systems. The program will qualify and train commissioning providers and offer incentives for commissioning work that is undertaken by those providers who are selected and trained, and whose work is overseen by this program.

This program offers as service that holds the potential of garnering significant energy savings in the commercial buildings arena. This program complements a similar program from another provider in the SCE and PG&E service territories. Funding this program in the SDG&E service territory provides statewide coverage for this important service. Additionally, by initiating this program in SDG&E’s service area, the Commission hopes to develop multiple providers for building retro-commissioning offerings in the state. Lastly, the implementer has demonstrated experience and expertise in running a project of this type.

PROGRAM MODIFICATIONS:

This program was proposed as a statewide program and is being accepted only for SDG&E's service territory. As SDREO will be running a program that will be targeting governmental buildings in San Diego, this program must concentrate on commercial buildings.

It is not clear from the proposal that the intent is to require that commissioning providers complete the training provided by this program. All commissioning providers who participate in the program must complete the training that is detailed in the proposal, not only the orientation. It does not appear that training is currently scheduled often enough to accommodate this. Retro-commissioning training must be provided after all program orientation sessions are made available. Additional commissioning providers must not be recruited if no training sessions will be available. Accordingly, a revised program implementation plan must be filed detailing any changes to the training and recruitment schedule.

In the revised program implementation plan, PECI must provide more specific details on cost sharing expected from the customers receiving services under this program. The full cost of the services rendered by the commission providers must be disclosed to the administering IOU accompanied by supporting documentation and invoices.

PROGRAM BUDGETS AND TARGETS:

The following table is a summary of some of the key objectives of this program. The proposal should be consulted for a complete description of the program design and objectives.

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Square Feet Target	Hard to Reach Target
SDG&E	\$ 1,168,185	6,224,400	780	3, 120,000	30% of facilities serviced to be leased

**9. San Diego Regional Energy Partnership
San Diego Region B.E.S.T. (Business Energy Services Team) –
1285-04**

PROGRAM IMPLEMENTER(S):	San Diego Regional Energy Partnership
PROPOSED SUBCONTRACTOR(S):	KEMA-XENERGY
IOU SERVICE TERRITORY:	SDG&E – 1285-04
GEOGRAPHIC AREA:	SDG&E Service Territory – Specific Areas to be Determined
TARGET MARKET:	Nonresidential – Small and Very Small
IOU CONTRACT ADMINISTRATOR:	SDG&E
APPROVED BUDGET	\$ 2,500,000

PROGRAM DESCRIPTION:

This B.E.S.T. Program is a continuation of the 2002–2003 B.E.S.T. Program being run by the San Diego Regional Energy Office. The B.E.S.T. Program targets the *hard-to-reach* (HTR) small and very small businesses (100 kW or less) in the San Diego Area. It provides “turnkey” services that include marketing, energy education, site-specific energy analysis, financial incentives, equipment procurement, and installation. The primary focus of this program is to maximize the implementation of cost-effective high-efficiency lighting measures, while also addressing some HVAC, refrigeration and customized measures. Program staff performs pre- and post-inspections at 100% of the sites to verify equipment installation and energy savings.

SDREO, with the support of KEMA-XENERGY, will administer the B.E.S.T. Program throughout San Diego County. SDREO has formed a partnership with local government partners (LGPs) to target marketing and outreach activities. At this point, a partnership has been formed with the City and County of San Diego, and the Cities of Carlsbad, Chula Vista, Escondido and Oceanside.

This program is a continuation of a highly successful 2002-2003 B.E.S.T. program that targets hard-to-reach small and very small businesses in SDG&E’s territory. It focuses on a much needed target area: the small business community in SDG&E’s territory.

PROGRAM MODIFICATIONS:

The approved budget is reduced to \$2.5 million and energy savings is reduced accordingly.

PROGRAM BUDGETS AND TARGETS:

The following table is a summary of some of the key objectives of this program. The proposal should be consulted for a complete description of the program design and objectives.

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Hard-to-Reach Targets
SDG&E	\$ 2,500,000	9,737,377	5,157	29,745	60% of Sites Served (Primarily Leased Space)

*Minimum expectations based upon reduced budget, pending program implementation plan finalization

10. Quantum Consulting, Inc California Wastewater Process Optimization Program – 1159-04, 1165-04

PROGRAM IMPLEMENTER(S):	Quantum Consulting, Inc.		
PROPOSED SUBCONTRACTOR(S):	BacGen Technologies		
IOU SERVICE TERRITORY:	SDG&E – 1165-04 PG&E – 1159-04*		
GEOGRAPHIC AREA:	PG&E (outside of San Francisco Bay Area and Sacramento) and SDG&E (outside of the City of San Diego) service territories		
TARGET MARKET:	Non-residential hard-to-reach wastewater treatment facilities		
IOU CONTRACT ADMINISTRATOR:	PG&E		
APPROVED BUDGET by SERVICE TERRITORY	SDG&E:	\$ 454,661	
	PG&E:	\$ 1,034,290*	
	Total:	\$ 1,448,951	

*Approved in D.03-12-060

PROGRAM DESCRIPTION:

This program focuses on bringing energy efficiency savings to wastewater treatment plants, including municipal, institutional, and agricultural facilities, that process up to 15 million gallons per day of wastewater. The program will conduct audits of wastewater treatment facilities, install “hard” monitoring, control, and equipment measures, and train staff in facilities optimization to bring about energy savings at currently energy inefficient wastewater treatment facilities.

This program ran very successfully in 2002-2003 and is one of only two such efforts that target small wastewater facilities in California. It reached all of its energy savings goals by the third quarter of 2003 and did so with less than budgeted expenditures.

PROGRAM MODIFICATIONS:

There are no program changes proposed or adopted for 2004 and 2005.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Other Targets
SDG&E	\$ 454,661	1,224,900	125	0	See plan
PG&E	\$ 1,034,290	2,866,400	293	0	See plan
TOTAL	\$ 1,488,951	4,091,300	418		

*Minimum expectations, pending program implementation plan finalization.

11. San Diego Regional Energy Partnership Technical Assistance Program – 1304-04

PROGRAM IMPLEMENTER(S):	San Diego Regional Energy Partnership
PROPOSED SUBCONTRACTOR(S):	
IOU SERVICE TERRITORY:	SDG&E – 1304-04
GEOGRAPHIC AREA:	San Diego County
TARGET MARKET:	Non-residential businesses and government facilities
IOU CONTRACT ADMINISTRATOR:	SDG&E

BUDGET APPROVED	\$1,500,000
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PROGRAM DESCRIPTION:

This program will provide technical assistance to local businesses and government agencies interested in implementing energy efficiency upgrades in their facilities. The technical assistance will include development of energy management strategies, facilities audits, and energy management staff education. This program will coordinate with the SDREP Local Government Program's incentive offerings.

This program is a continuation of a successful 2002-2003 program effort. The program offers very comprehensive information and education outreach to its target markets. This program targets an underserved and financially constrained market segment.

PROGRAM MODIFICATIONS:

This program must develop a coordinated budget with the SDREP Local Government Energy Efficiency Program to ensure the most efficient expenditure of incentive versus information/outreach/technical assistance funds. This program should also coordinate closely with all the non-residential incentive programs in the San Diego area to ensure that customers who receive technical assistance from them are aware of the incentives available to them.

This program in conjunction with the SDREP Local Government Energy Efficiency Program must coordinate with SDG&E's Energy Saver Bid program to ensure there is no overlap in the government facilities they are both targeting and to possibly leverage the technical analysis and auditing functions of this program for government facilities that might participate in the SDG&E Energy Saver Bid Program.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets* (kWh)	Demand Reduction Targets* (kW)	Energy Reduction Targets* (Therms)	Hard-to-Reach Targets
SDG&E	\$1,500,000	0	0	0	

(END OF ATTACHMENT 2)